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AZ CORP COMMISSION
DOCKET CONTROL

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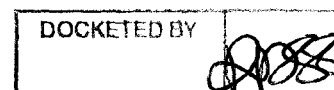
December 1, 2011

Arizona Corporation Commission
DOCKETED

DEC 1 2011

HAND DELIVERED

Docket Control
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007



Re: *Annual Compliance-Certification Letter; Southwest Transmission Cooperative, Inc. ("SWTC") Certificate of Environmental Compatibility ("CEC") for the Marana Tap to Sandario Tap Rebuild Project (the "Project"); Decision No. 72447; Docket No. L-00000CC-11-0127-00161, Case No. 161*

Dear Sir or Madam:

As required by Condition 17 of the CEC in this matter, enclosed are the original and 25 copies of the Annual Certification Letter for this Project. Your assistance in relation to this matter is appreciated.

Very truly yours,

GALLAGHER & KENNEDY, P.A.

By:

Michael M. Grant

MMG/plp
15169-17/2925676
Enclosures

cc w/enclosure (mailed): The Honorable John Foreman, Attorney General's Office
Department of Commerce Energy Office

Original and 25 copies filed with Docket
Control this 1st day of December, 2011.



**Southwest
Transmission**
COOPERATIVE, INC

P.O. BOX 2195 • BENSON, ARIZONA 85602 • (520) 586-5599 • southwesttransmission.org

December 1, 2011

Steve Olea
Utilities Division Director
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

**RE: MARANA TAP TO SANDARIO TAP 115 KV TRANSMISSION LINE
REBUILD PROJECT CERTIFICATE OF ENVIRONMENTAL
COMPATIBILITY (CEC); DECISION NO. 72447; DOCKET
NO. L-00000CC-11-0127-00161, CASE NO. 161; ANNUAL
CERTIFICATION LETTER FOR THE MARANA TAP TO SANDARIO
TAP 115 KV TRANSMISSION LINE REBUILD PROJECT**

Dear Mr. Olea:

Southwest Transmission Cooperative, Inc. submits this letter certifying the status of compliance with the conditions of the CEC issued for the Marana Tap to Sandario Tap 115 kV Transmission Line Rebuild Project as of November, 2011. This certification letter complies with CEC Condition 17 in Decision No. 72477.

Sincerely,

Charles Walling
Manager of Engineering

Enclosures

cc: J. Foreman, Attorney General's Office (w/enclosures)
Department of Commerce Energy Office (w/enclosures)

Marana Tap to Sandario Tap 115 kV Transmission Line Rebuild Project Annual

Certification for Compliance with CEC Conditions

In compliance with Condition 17 of the CEC, the following summarizes the progress concerning and status of compliance activities as of November, 2011.

Condition 1 - *Any transfer or assignment of this CEC shall require the assignee or successor to assume all responsibilities of the Applicant listed in the CEC and its conditions in writing as required by A.R.S. § 40-360.08(A) and R14-3-213(F) of the Arizona Administrative Code.*

Southwest Transmission Cooperative, Inc. (SWTC) will adhere to the requirements stated in Condition 1.

Condition 2 - *During the construction of the Project, Applicant shall comply with all applicable statutes, ordinances, master plans, and regulations of the United States, the State of Arizona, and any other governmental entities having jurisdiction, and their agencies or subdivisions, including but not limited to the following:*

2.1 all applicable land use regulations;

2.2 all applicable zoning stipulations and conditions, including, but not limited to, landscaping and dust control requirement;

2.3 all applicable water use, discharge and/or disposal requirements of the Arizona Department of Water Resources (the "ADWR"), Arizona Department of Water Quality (the "ADEQ") and Pima County Department of Environmental Quality ("PDEQ");

2.4 all applicable noise standards; and

2.5 all applicable regulations governing storage and handling of hazardous chemicals and petroleum products.

SWTC will adhere to the requirements stated in Condition 2.

Condition 3 - Applicant shall obtain all approvals and permits required by the United States, the State of Arizona and any other governmental entities having jurisdiction necessary to construct the project.

In accordance with Condition 3, SWTC will obtain all approvals and permits required for the rebuilding of the transmission line.

Condition 4 - *If any archaeological site, paleontological site, historic site or an object that is at least fifty years old is discovered on State, county or municipal land during construction of the Project, Applicant or its representative in charge shall promptly report the discovery to the Director of the Arizona State museum, and in consultation with the Director, shall immediately take all reasonable steps to secure and maintain the preservation of the discovery as required by A.R.S. § 41-844.*

SWTC will adhere to the requirements stated in Condition 4.

Condition 5 - *If human remains and/or funerary objects are encountered on private land during the course of any ground-disturbing activities relating to the construction of the Project, Applicant shall cease work on the affected area of the Project and notify the Director of the Arizona State Museum as required by A.R.S. § 41-865.*

SWTC will adhere to the requirements stated in Condition 5.

Condition 6 - *The Applicant shall comply with the notice and salvage requirements of the Arizona Native Plant Law (A.R.S. §§ 3-901, et seq.) and shall, to the extent feasible, minimize the destruction of native plants during project construction.*

SWTC filed the required Notice of Intent to clear lands with the Arizona Department of Agriculture on October 25, 2011 and will adhere to the requirements stated in Condition 6.

Condition 7 - *This authorization to construct this Project shall expire three years from the date the CEC is approved by the Arizona Cooperation Commission (the "Commission"). However, prior to expiration, Applicant may request that the Commission extend this time limitation.*

SWTC understands that the authorization to construct will expire three years from the time the Certificate was approved and, if necessary, will seek an extension of the time limitation.

Condition 8 - *In the event that the Project requires an extension of the term of this CEC prior to completion of construction, Applicant shall use reasonable means to notify all landowners and residents within one mile of the Project corridor, all persons who made public comment at this proceeding and all parties to this proceeding of the request and the date, time and place of the hearing in which the Commission will consider the request for extension.*

In the event the Project requires an extension, SWTC will adhere to the terms stated in Condition 8.

Condition 9 - *Applicant shall make every reasonable effort to identify and correct, on a case-specific basis, all complaints of interference with radio or television signals from operation of the transmission lines and related facilities addressed in the CEC. Applicant shall maintain written records for a period of five years of all complaints of radio or television interference attributable to operation, together with the corrective action taken in response to each complaint. All complaints shall be recorded to include notations on the corrective action taken. Complaints not leading to a specific action or for which there was no resolution shall be noted and explained. Upon request, the written records shall be provided to Staff of the Commission.*

Construction of the transmission line has not occurred. Upon the transmission line becoming operational, all complaints will be addressed as they are received and actions taken will be documented in written records as required by Condition 9.

Condition 10 - *Within 45 days of the Commission approval of this CEC, Applicant shall erect and maintain signs providing public notice that the transmission line will be rebuilt. Such signs shall be no smaller than a normal roadway sign. The signs shall advise:*

10.1 that the site has been approved for the rebuilding of Project facilities;

10.2 the expected date of completion;

10.3 a phone number for public information regarding the Project;

10.4 the name of the Project;

10.5 the name of the Applicant; and

10.6 the website of the Project.

As required by this condition, signs were erected in compliance with Condition 10 on July 18, 2011. Exhibit 1 to SWTC's December 1, 2011 certification letter is an affidavit certifying the posting of and language for the signs. Compliance with Condition 10 has been completed.

Condition 11 - Applicant, or its assignee(s), shall design the transmission lines to incorporate reasonable measures to minimize impacts to raptors.

SWTC will incorporate reasonable measures to minimize impacts to raptors as required by Condition 11.

Condition 12 - *Applicant, or its assignee(s), shall use non-specular conductors and non-reflective surfaces for transmission line structures.*

SWTC will use non-specular conductor and dulled surfaces for transmission line structures as required by Condition 12.

Condition 13 of the CEC approved by the Line Sitting Committee

Condition 13 - *Before construction on this Project may commence, Applicant shall file a construction mitigation and restoration plan ("Plan") with the Arizona Corporation Commission Docket Control. Where practicable, the Plan shall specify that Applicant use existing roads for construction and access, minimize impacts to wildlife, minimize vegetation disturbance outside of the Project right-of-way, particularly in drainage channels and along stream banks, and shall re-vegetate, unless waived by the landowner, native areas of construction disturbance to its preconstruction state outside of the power line right-of-way after construction has been completed. The Plan shall specify Applicant's plans for coordination with the Arizona Game and Fish Department ("AGFD") and the Arizona State Historic Preservation Office ("SHPO"). Applicant shall use existing roads for construction and access where practicable, and the Plan shall specify the manner in which Applicant makes use of existing roads.*

As required by this condition, the Construction Mitigation and Restoration Plan was submitted to Docket Control on November 15, 2011. Exhibit 2 to SWTC's December 1, 2011 certification letter is an affidavit certifying compliance with Condition 13 has been completed.

Condition 13 added by Commission in Decision No. 72447

Condition 13 - *Before commencing construction of Project facilities located parallel and within 100 feet of any existing natural gas or hazardous liquid pipeline, the Applicant or its assignee shall:*

- (a) Perform the appropriate grounding and cathodic protection studies to show that the Project's location parallel and within 100 feet of such pipeline results in no material adverse impacts to the pipeline or to public safety when both the pipeline and the Project are in operation. If material impacts are noted in the studies, Applicant shall take appropriate steps to ensure that such material adverse impacts are mitigated. Applicant shall provide the Commission Staff and Docket Control reports of the studies performed; and*
- (b) Perform a technical study simulating an outage of the Project that may be caused by the collocation of the Project parallel and within 100 feet*

of the existing natural gas or hazardous liquid pipeline. The study should either: i) show that such outage does not result in customer outages; or ii) include operating plans to minimize any resulting customer outages. Applicant shall provide a copy of this study to Commission Staff and Docket Control.

(a) SWTC engineers have studied project design elements specific to grounding and cathodic protection, including consultation with Southwest Gas Corporation ("SWG") to determine appropriate protection measures. Based on the collaboration between SWG and SWTC, SWG performed an A/C read survey on one mile of high-pressure 2 inch steel gas line (Magee Road and Trico Area) on June 10, 2011. Based on recommendations provided by SWG, once the new SWTC transmission line is in service, SWG will perform another survey to determine if there is any need for an upgrade or modifications to protect their system (for example, AC Polarization cells).

(b) SWTC has performed a technical study simulating an outage of the Project that may be caused by the collocation of the Project parallel and within 100 feet of the existing natural gas line. Exhibit 3 to SWTC's December 1, 2011 certification letter is an affidavit

confirming the results of the study have been transmitted to both
Commission Staff and Docket Control

Condition 14 - *With respect to the Project, Applicant shall participate in good faith in state and regional transmission study forums to coordinate transmission expansion plans related to the Project and to resolve transmission constraints in a timely manner.*

SWTC will continue to participate in state and regional transmission study forums as specified in Condition 14.

Condition 15 - *The Applicant shall provide copies of this Certificate to the Pima County Planning Division and the Arizona State Land Department*

A copy of the certificate was sent to all of the required agencies on July 11, 2011 via certified mail. Exhibit 4 to SWTC's December 1, 2011 certification letter is an affidavit confirming transmittal. Compliance with Condition 15 is complete.

Condition 16 - *Applicant will follow the most current Western Electricity Coordinating Council/North American Electric Reliability Corporation Planning*

standards as approved by the Federal Energy Regulatory Commission, and National Electrical Safety Code construction standards.

The terms stated in Condition 16 will be met in designing and constructing the Project.


Condition 17 - *The Applicant shall submit a compliance-certification letter annually, identifying progress made with respect to each condition contained in the CEC, including which conditions have been met. Each letter shall be submitted to Commission Docket Control commencing on December 1, 2011. Attached to each certification letter shall be documentation explaining how compliance with each condition was achieved. Copies of each letter, along with the corresponding documentation, shall be submitted to the Arizona Attorney General and Department of Commerce Energy Office (or its successor organization). The requirement for the compliance-certification shall expire on the date the Project is placed into operation.*

Certification letters will be filed annually as required by Condition 17 until the Project is operational.

Exhibit 1
Condition 10 Affidavit

**MARANA TAP TO SANDARIO TAP TRANSMISSION LINE REBUILD
PROJECT
AFFIDAVIT
CEC Condition 10**

I, Kevin W. Barnes, Environmental Planner for Sierra Southwest Cooperative Services, hereby certify that required public notification signs have been posted. The posting of the signs is in compliance with Decision No. 72447 Condition 10 and were posted on July 18, 2011.

 11/21/11


Signature Date
Kevin W. Barnes
Environmental Planner

KEVIN W. BARNES 11/21/11

Printed Date
Kevin W. Barnes
Environmental Planner

State of Arizona)
) ss.
County of Cochise)

The foregoing instrument was acknowledged before me this 21 of November, 2011 by Kevin W. Barnes, Environmental Planner of Sierra Southwest Cooperative Services, an Arizona Corporation, on behalf of the corporation.



Notary Public

My Commission Expires:

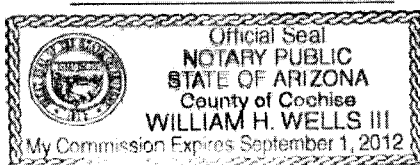



Exhibit 2
Condition 13 Affidavit

**MARANA TAP TO SANDARIO TAP TRANSMISSION LINE REBUILD
PROJECT
AFFIDAVIT
CEC Condition 13**

I, Kevin W. Barnes, Environmental Planner for Sierra Southwest Cooperative Services, hereby certify that a Construction Mitigation and Restoration Plan has been prepared and filed with the Corporation Commission Docket Control. The Construction Mitigation and Restoration Plan was filed on November 15, 2011. The filing of the Construction Mitigation and Restoration Plan is in compliance with Decision No. 72447 Condition 13.


Signature _____ Date 11/21/11
Kevin W. Barnes
Environmental Planner

KEVIN W. BARNES 11/21/11
Printed _____ Date
Kevin W. Barnes
Environmental Planner

State of Arizona)
) ss.
County of Cochise)

The foregoing instrument was acknowledged before me this 21 of November, 2011 by Kevin W. Barnes, Environmental Planner of Sierra Southwest Cooperative Services, an Arizona Corporation, on behalf of the corporation.

William H. Wells III
Notary Public

My Commission Expires:

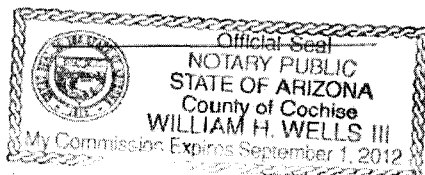


Exhibit 3
Condition 13 Affidavit

**PROJECT
AFFIDAVIT
CEC Condition 13**

I, Charles Walling, Manager of Engineering for Southwest Transmission Cooperative (SWTC), hereby certify that: a) appropriate grounding and cathodic protection studies have been completed, and b) SWTC has performed a technical study simulating an outage of the Project that may be caused by the collocation of the Project parallel and within 100 feet of the existing natural gas line. The outage study was provided to Commission Staff and Docket Control on November 22, 2011 in compliance with Decision No. 72447 Condition 13.

Signature _____
Charles Walling P.E.
Manager of Engineering

Printed
Charles Walling P.E.
Manager of Engineering

State of Arizona)
County of Cochise) ss.

The foregoing instrument was acknowledged before me this 22 of November, 2011 by Charles Walling, Manager of Engineering for Southwest Transmission Cooperative, an Arizona Corporation, on behalf of the corporation.

William H. Wellen III
Notary Public

My Commission Expires:

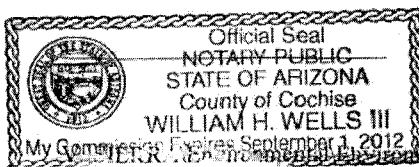
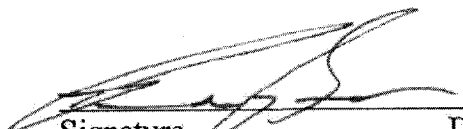


Exhibit 4
Condition 15 Affidavit

**MARANA TAP TO SANDARIO TAP TRANSMISSION LINE REBUILD
PROJECT
AFFIDAVIT
CEC Condition 15**

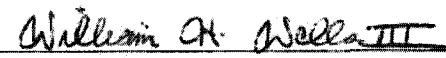
I, Kevin W. Barnes, Environmental Planner for Sierra Southwest Cooperative Services, hereby certify that the required copies of the Certificate of Environmental Compatibility (CEC) were sent to all of the required agencies. Copies of the CEC were sent via certified mail on July 18, 2011. Mailing of the certificates is in compliance with Decision No. 72447 Condition 15.

 11/21/11
Signature Date
Kevin W. Barnes
Environmental Planner

KEVIN W. BARNES 11/21/11
Printed Date
Kevin W. Barnes
Environmental Planner

State of Arizona)
) ss.
County of Cochise)

The foregoing instrument was acknowledged before me this 21 of November, 2011 by Kevin W. Barnes, Environmental Planner of Sierra Southwest Cooperative Services, an Arizona Corporation, on behalf of the corporation.


Notary Public

My Commission Expires:

